



Testimony of Denise L. Nappier
Treasurer of the State of Connecticut

SUBMITTED TO THE GOVERNMENT ADMINISTRATION & ELECTIONS COMMITTEE
MARCH 5, 2018

Senators Flexer and McLachlan, Representative Fox, and members of the Government Administration and Elections Committee, thank you for the opportunity to offer testimony concerning House Bill 5269, ***An Act Concerning the Divestment of State Funds Invested in Companies Doing Business in Venezuela.***

This legislation would, if enacted, authorize the Treasurer to divest, decide not to invest further, or not enter into any future investment, in any company doing business in Venezuela. The bill details the factors that the Treasurer shall consider, such as whether a company: pays revenues directly to the government of Venezuela; is invested or directly involved in the development of Venezuela's petroleum resources; or is involved in any other business activity that has been made the subject of economic sanctions imposed by the United States government.

This legislation mirrors similar provisions in Connecticut statute that support the Treasurer's discretion to divest, such as companies doing business in Sudan (where we decline to invest in companies that abet the perpetuation of state-sponsored genocide); Northern Ireland (for those companies refusing to adopt the MacBride Principles and prohibit religious discrimination in the workplace); and Iran (where we refrain from companies that support a state sponsor of terror).

For your information, the Connecticut Retirement Plans and Trust Funds have investments in Venezuelan bonds valued at \$25.9 million, as well as \$2.9 million worth of fixed income securities of CITGO, a U.S. company domiciled in Venezuela.

The Office of the Treasurer has no objection to this proposed legislation.